



State of Montana

Financial Dashboard Report

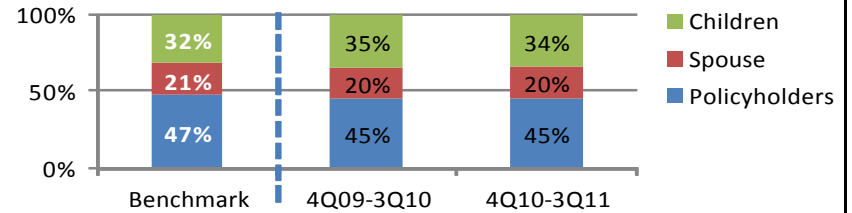
All SOM Plans Combined
Thru 3rd Quarter 2011

Enrollment & Demographics – Rolling 12 Months

Enrollment & Demographics

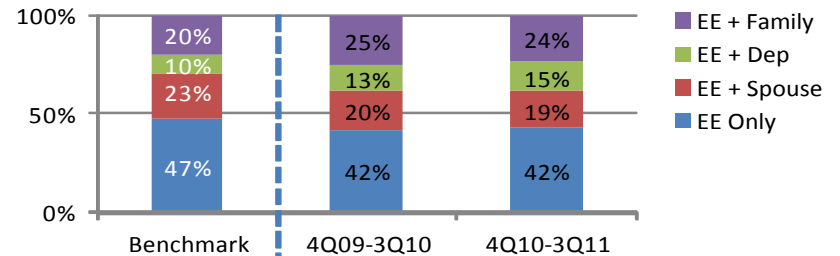
Enrollment by Member Type

	Benchmark	4Q09-3Q10	4Q10-3Q11
Average # of Policyholders		13,728	13,585
Average # of Members		29,556	29,376
Average # of Members Per Policyholder	2.13	2.15	2.16



Enrollment by Tier

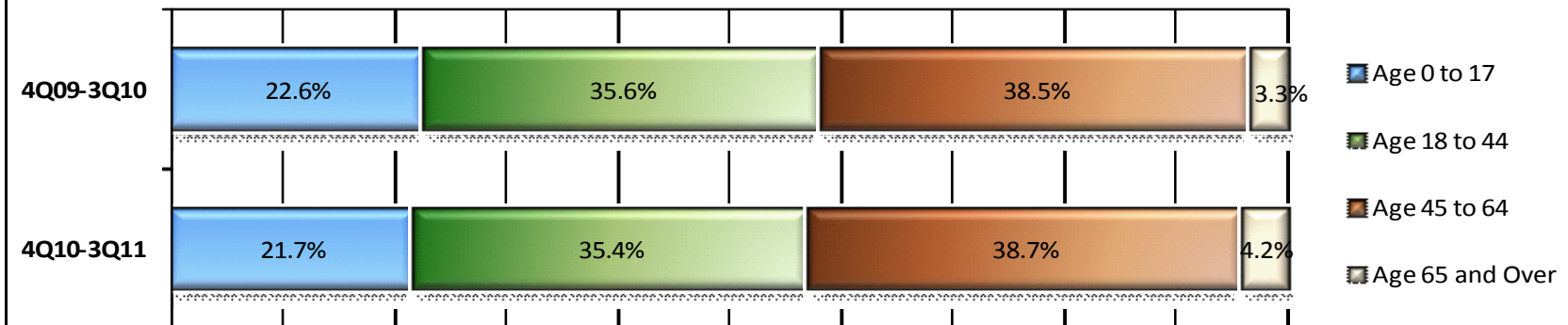
	4Q09-3Q10	4Q10-3Q11
Average EE Only Policies	5,743	5,699
Average EE + Spouse Policies	2,740	2,625
Average EE + Dependents Policies	1,801	1,989
Average EE + Family Policies	3,445	3,272



Demographics

	4Q09-3Q10	4Q10-3Q11
Percent Female	52.2%	51.6%
Percent Male	47.8%	48.4%
Mean Age	36.9	37.5

Age Stratification



Spending Analysis

Spending - Rolling 12 months

<u>Medical & Rx Claims Paid Per Member Per Period</u>	<u>Benchmark</u>	<u>4Q09-3Q10</u>	<u>4Q10-3Q11</u>	<u>% inc (dec)</u>	<u>Over (under) benchmark</u>
Total Medical & Rx Claims Paid Per Member	\$3,460	\$3,320	\$3,610	8.7%	4.4%
Medical Claims Paid Per Member	\$2,837	\$2,716	\$2,985	9.9%	5.2%
Rx Claims Paid Per Member	\$623	\$604	\$625	3.5%	0.4%
<u>Medical & Rx Claims Paid PMPM</u>					
Total Medical & Rx Claims Paid PMPM	\$288	\$277	\$301	8.7%	4.3%
Medical Claims Paid PMPM	\$236	\$226	\$249	9.8%	5.2%
Rx Claims Paid PMPM	\$52	\$50	\$52	3.5%	0.4%
<u>Member Out-of-Pocket Cost-Sharing (Allowed - Paid)</u>					
Member Out-of-Pocket Cost-Share - Medical		\$957	\$905	-5.4%	-
Member Out-of-Pocket Cost-Share Percentage - Medical		26%	23%	-2.8%	-
Member Out-of-Pocket Cost-Share - Rx		\$185	\$192	3.4%	-
Member Out-of-Pocket Cost-Share Percentage - Rx		23%	23%	0.0%	-

Spending - Quarterly

<u>Medical & Rx Claims Paid Per Member Per Period</u>	<u>Benchmark</u>	<u>3Q10</u>	<u>3Q11</u>	<u>% inc (dec)</u>	<u>Over (under) benchmark</u>
Total Medical & Rx Claims Paid Per Member	\$865	\$777	\$988	27.2%	14.3%
Medical Claims Paid Per Member	\$709	\$634	\$817	29.0%	15.2%
Rx Claims Paid Per Member	\$156	\$143	\$171	19.3%	9.9%
<u>Medical & Rx Claims Paid PMPM</u>					
Total Medical & Rx Claims Paid PMPM	\$288	\$260	\$329	26.8%	14.3%
Medical Claims Paid PMPM	\$236	\$212	\$272	28.6%	15.2%
Rx Claims Paid PMPM	\$52	\$48	\$57	18.9%	9.9%
<u>Member Out-of-Pocket Cost-Sharing (Allowed - Paid)</u>					
Member Out-of-Pocket Cost-Share - Medical		\$237	\$202	-14.9%	-
Member Out-of-Pocket Cost-Share Percentage - Medical		27%	20%	-7.0%	-
Member Out-of-Pocket Cost-Share - Rx		\$71	\$48	-31.8%	-
Member Out-of-Pocket Cost-Share Percentage - Rx		33%	22%	-11.0%	-

Cost – Trend Analysis

Cost - Trend Analysis

PMPM Paid Cost Trend

	<u>Benchmark</u>	<u>4Q09-3Q10 to 4Q10-3Q11</u>	<u>3Q10 to 3Q11</u>
Total Medical & Rx	0.4%	8.7%	26.8%
Total Medical	1.8%	9.8%	28.6%
Rx	-5.8%	3.5%	18.9%

PMPM Paid Cost Trend by Type of Service - Medical

		<u>4Q09-3Q10 to 4Q10-3Q11</u>	<u>3Q10 to 3Q11</u>
Inpatient - Facility	1.8%	15.3%	70.2%
Inpatient - Professional	-0.9%	-4.4%	2.9%
Outpatient - Other	1.0%	8.4%	12.3%
Outpatient - Professional	3.2%	8.5%	14.9%

Drivers of PMPM Cost Trend - Medical

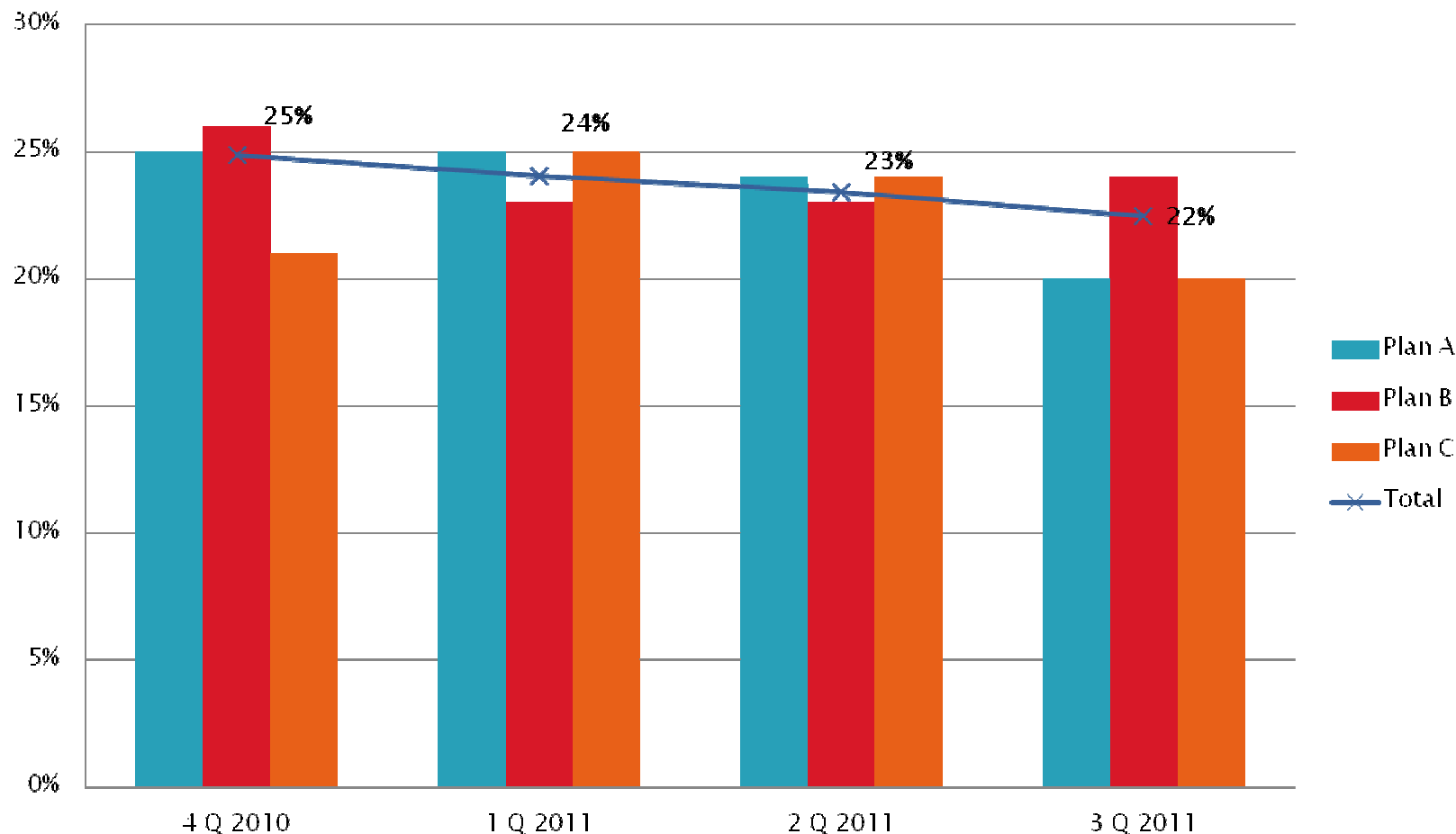
		<u>4Q09-3Q10 to 4Q10-3Q11</u>	<u>3Q10 to 3Q11</u>
Unit Cost Trend	3.6%	4.0%	13.5%
Utilization Trend	0.6%	1.7%	2.8%
Change Due to Cost Sharing	-2.3%	3.8%	n/a

Drivers of PMPM Cost Trend by Type of Service

		<u>4Q09-3Q10 to 4Q10-3Q11</u>	<u>3Q10 to 3Q11</u>
<u>Unit Cost Trend</u>			
Inpatient - Facility	6.1%	8.2%	30.6%
Inpatient - Professional	4.8%	3.4%	4.5%
Outpatient - Other	1.8%	10.3%	11.6%
Outpatient - Professional	11.7%	2.4%	5.6%
Rx	-9.8%	-4.2%	10.5%
<u>Utilization Trend</u>			
Inpatient - Facility	-0.8%	0.7%	4.6%
Inpatient - Professional	-3.9%	-9.4%	-5.0%
Outpatient - Other	2.5%	-5.1%	-1.5%
Outpatient - Professional	-7.1%	3.4%	3.8%
Rx	4.4%	8.0%	8.4%

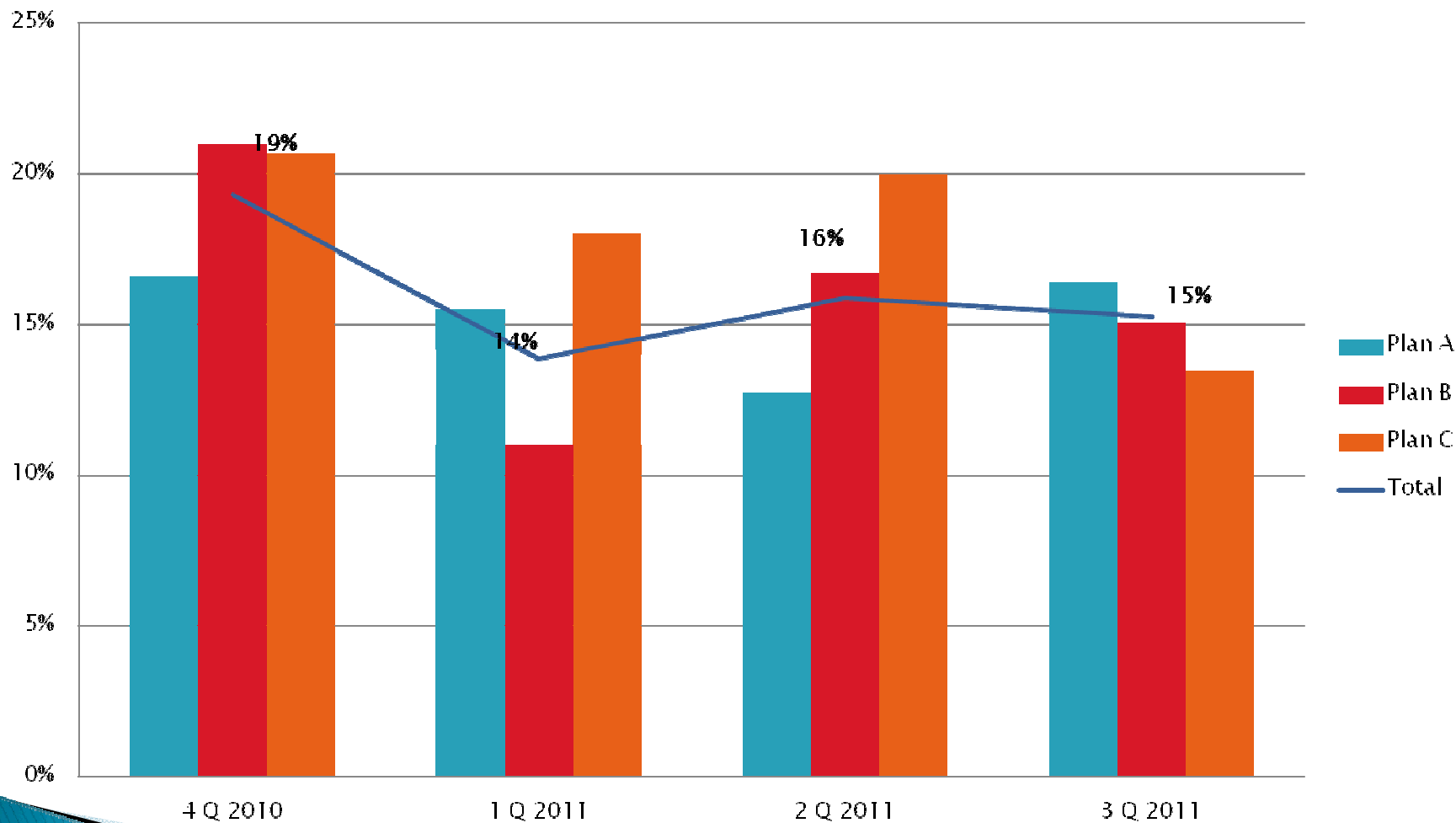
Eroding Provider Discounts

Overall Provider Discounts



Hospital Discount Erosion

Selected Hospital Discounts



Fallacy of the discount

	Prior Year	Current Year	Next year	Increase
Total Charge	\$ 100,000,000	\$ 105,000,000	\$ 110,250,000	\$ 10,250,000
Annual Charge Increase		5%	5%	
Average Discount	20%	15%	10%	
Total Allowable	\$ 80,000,000	\$ 89,250,000	\$ 99,225,000	\$ 19,225,000
Paid by Member (20% coinsurance)	\$ 16,000,000	\$ 17,850,000	\$ 19,845,000	\$ 3,845,000
Paid by Plan	\$ 64,000,000	\$ 71,400,000	\$ 79,380,000	\$ 15,380,000

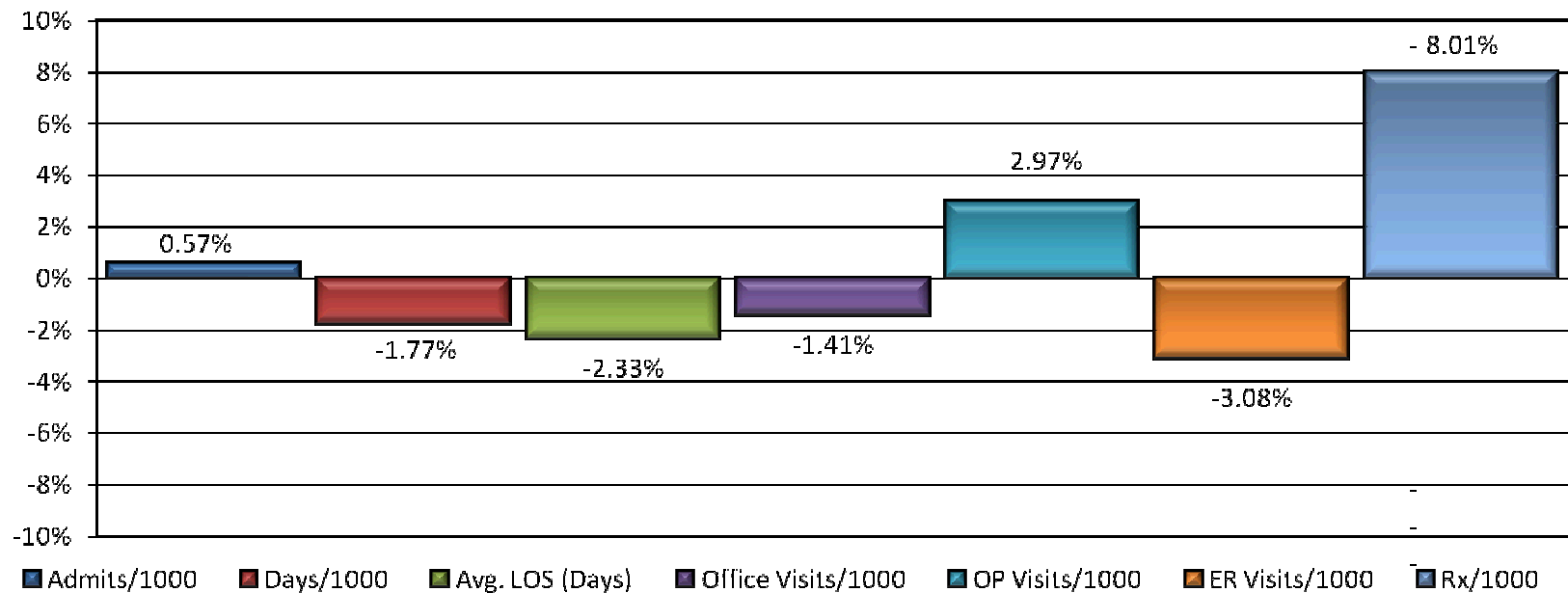
Utilization Analysis

Utilization

Medical & Rx Services

	<u>Benchmark</u>	<u>4Q09-3Q10</u>	<u>4Q10-3Q11</u>	<u>3Q10</u>	<u>3Q11</u>
Admits/1,000	62.5	64.4	64.8	61.1	63.7
Days/1,000	239.2	253.9	249.4	237.1	250.5
Average Length of Stay (Days)	3.8	3.9	3.8	3.9	3.9
Office Visits/1000	2,455.8	2,556.1	2,520.2	2,401.1	2,287.2
Outpatient Visits/1000	1,514.9	1,639.8	1,688.6	1,701.9	1,828.8
ER Visits/1000	171.6	191.0	185.1	199.7	209.5
Prescriptions/1,000	9,779.2	10,427.6	11,262.6	10,562.0	11,362.6

Utilization Change 4Q09-3Q10 to 4Q10-3Q11



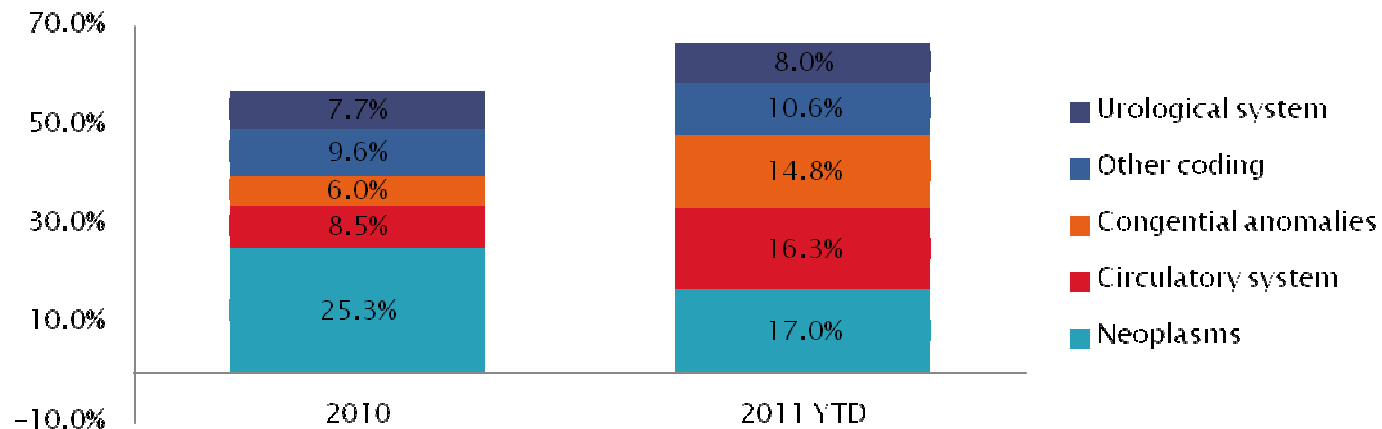
Claimants Analysis

Claimants Analysis

Members with Paid Claims >\$100K

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 YTD</u>
Number of Members	55	79	78	77
Total Medical Costs Paid by Plan	\$11,107,308	\$14,836,673	\$14,663,141	\$16,144,570
Large Claims as % of Medical Paid	15.9%	18.3%	18.3%	24.6%
Large Claimants Turnover Ratio	90.0%	81.0%	73.1%	76.6%

Costs by Top 5 Diagnosis Groups - Members with Accrued Paid Claims >\$100K



Members with No Medical or Rx Claims

	<u>2010</u>	<u>2011 YTD</u>
# Members	5,187	5,909
% of Total Plan Members	18%	19%
Average Age	30.76	31.33
% Policyholders	38.3%	38.5%
% Spouses	15.4%	15.3%
% Child/Dependant	46.3%	46.1%
Age/Sex Risk Score	0.830	0.891